



RETIREMENT IN-LIEU-OF LAYOFF

If you have been notified that you are at-risk of layoff and are thinking about retiring as a possible alternative, the following information may be helpful as you weigh your options and decide what will be best for you and/or your family.

1. If you haven't read the "Retirement Handbook," go to www.seattle.gov/retirement/ and print out a copy and review. This will give you basic information about how your retirement benefit will be calculated, the types of retirement options available and the key decision-making factors of each option. The "Frequently Asked Questions" may also address some of your concerns.
2. While you are on the website, you may want to use the "Employee's Benefit Calculator" to assess the benefits you may receive under each of the Retirement Options. This does not guarantee benefits, but uses your member data as a basis for estimating your likely retirement benefit amounts. Its accuracy is contingent on the accuracy of the information you have inputted. (When your Retirement benefits are calculated for you by a Retirement Specialist, your entire contribution history is reviewed.)
3. The Retirement Office has an "open door" policy. So, if you have questions, please call the office at 386-1292. *When you call be sure to tell the receptionist that you have been notified by your department that you are **at-risk of layoff or have received a layoff notice**.* This information will ensure you receive priority attention. If you are eligible to retire, *ask to speak with a **Retirement Specialist**.*
4. It is important to keep in mind that *your interactions with the Retirement Office are confidential. The Retirement Office does not notify your Department of your intent to retire until you have signed your Retirement Application. You have the right to change your mind at any point up to the point your first retirement check is cashed.* You are responsible for advising your department of your decision to retire and any subsequent changes regarding your employment status.
5. One important consideration in deciding whether you want to retire in-lieu-of layoff is to understand that by retiring, **you relinquish all your reinstatement rights.** While retiring does not preclude you working for the City at some time in the future, it does automatically remove your name from the reinstatement register. Please review the Handbook for limits on working for the City after retirement.
6. If you decide you want to retire in-lieu-of layoff, you should contact the Retirement Office as soon as possible. Remember, you are required by the Seattle Municipal Code to provide at least a **30-day notice** to the Retirement Office of your intent to retire. Call the Retirement Office to schedule a *Retirement Interview*. When you call, be sure to let the scheduler know whether you have requested and received a "Benefits Estimate" in the previous 12 months. If you haven't, ask the scheduler to complete a *Benefits Estimate Request* form for you or download one from SCERS' website and email it to retirecity@seattle.gov at the time you schedule your appointment. *The Application for Retirement that you complete during a Retirement Interview with the Retirement*

Specialist serves as your 30-day notice. Again, be sure to tell the scheduler that you are at-risk for layoff so your appointment can be prioritized.

7. It is important to start your retirement process as early as possible since this can impact your benefits. If you wait too long and are unable to meet the notification requirement, you may impact your eligibility to continue in the Death Benefit Program and coverage under City Retirement's medical, dental and vision plans.
8. In preparation for your Retirement Interview, please have the following available:

If You are Married or Have a Domestic Partner:

- If possible, bring your spouse/domestic partner to the retirement interview (signatures will be required of your spouse/domestic partner);
- Copy of your Marriage Certificate (Needed only if selecting Option(s) D or E)
- Copy of your Domestic Partnership Affidavit;
- Copy of a Birth Certificate or Passport for both you and your spouse/ domestic partner (Needed only if selecting Option(s) D or E);
- Social Security Card of spouse/domestic partner.

Direct Deposit:

- Please bring a Voided Check for the checking account where you want your benefit payments to be deposited.

ALL RETIREES please bring:

- Social Security Card;
- Driver's License;
- Medicare Card with Part B for retiree and spouse/domestic partner age 65+ or under age 65 Disability Medicare eligible.
- Beneficiaries' Information: Name, Date of Birth, and Social Security Number

If Selecting Option F:

- Please bring your most recent Social Security Estimate

If Selecting Option G-50 / G-100 and rolling funds to an IRA:

- Please bring IRA information including:
 - Name of Financial Institution (bank or brokerage firm)
 - Address & Phone Number
 - Account Number

At the Retirement Interview, you will be asked to select a *Retirement Option*. For a complete description of Retirement Pension Options, refer to the *attached "Retirement Options: Key Decision-Making Factors"*.

If you will be using *VEBA/Deferred Comp* to pay medical premiums, this will be handled by your Human Resources staff. If you plan on selecting COBRA, you may be required to pay your 1st month's premium during your retirement interview.

RETIREMENT OPTIONS: KEY DECISION-MAKING FACTORS

OPTIONS	KEY DECISION-MAKING FACTORS	
Straight Benefit	<ul style="list-style-type: none"> -Provides you with the largest monthly retirement benefit you can individually receive for the rest of your life. 	<ul style="list-style-type: none"> -Does not allow you to leave money to a beneficiary after your death. -If you die before you have exhausted <i>your</i> employee contributions/ interest (annuity), any remaining employee contributions are forfeited back into the retirement system.
If it is important for you to leave money to a beneficiary, you may want to review other Options.		
Option A	<ul style="list-style-type: none"> -Provides you with a monthly benefit for life. -If you die before you have withdrawn all <i>your</i> employee contributions/interest, the balance goes to your beneficiary in a lump sum payment. -You can designate more than one beneficiary and you can change your beneficiaries. 	<ul style="list-style-type: none"> -Your monthly benefit is only slightly reduced from the Straight Benefit. -After you die, your beneficiary receives the remaining portion of <i>your</i> employee contributions (annuity), and does not receive the City's contributions. -Once your accumulated contributions with interest are exhausted, there is no money left to provide a lump sum payment to your beneficiary.
Option B	<ul style="list-style-type: none"> -Provides you with a monthly benefit for life. -If you die before you have withdrawn all <i>your</i> employee contributions/interest, the balance is paid to your beneficiary in monthly payments. (This is the same as Option A, except payments are made monthly to your beneficiary rather than in one lump sum.) -You can designate more than one beneficiary and you can change your beneficiaries. 	<ul style="list-style-type: none"> -Your monthly benefit is only slightly reduced from the Straight Benefit. -Your beneficiary receives the remaining portion of <i>your</i> employee contributions (annuity), but does not receive the City's contributions. - Once your accumulated contributions with interest are exhausted, there is no money left to provide a lump sum payment to your beneficiary.
<p>If you want to select a beneficiary whose need for a benefit is relatively limited, then Option A or B may be for you. If you want to leave a higher monthly benefit to your beneficiary for a limited period of time, you may want to consider Option C. If your beneficiary is your spouse or domestic partner, you can consider Option D or E, which will provide coverage for his/her lifetime after your death.</p>		
Option C-5	<ul style="list-style-type: none"> -Provides you with a monthly benefit for life. - Upon your death, a monthly benefit will be paid to your beneficiary for the remainder of the 5-year guaranteed period. -The amount of the monthly payments paid to your beneficiary will be equivalent to the amount you were receiving. -You may designate more than one beneficiary. 	<ul style="list-style-type: none"> - The retirement pension is guaranteed to be paid for 5 years from your retirement date. However, if you live longer than the guaranteed period, you continue to receive your monthly benefit, but there will be no payments available for your beneficiary. -If you die after 5 years of retirement and before your employee contributions have been exhausted, your remaining employee contributions go back to the retirement system.
Option C-10	<ul style="list-style-type: none"> -Provides you with a monthly benefit for life. -Upon your death, a monthly benefit will be paid to your beneficiary for the remainder of the 10-year guaranteed period. -The amount of the monthly payments paid to your beneficiary will be equivalent to the amount you were receiving. -You may designate more than one beneficiary. 	<ul style="list-style-type: none"> -The retirement pension is guaranteed to be paid for 10 years from your retirement date. However, if you live longer than the guaranteed period, you continue to receive your monthly benefit, but there will be no payments available for your beneficiary. -If you die after 10 years of retirement and before your employee contributions have been exhausted, your remaining employee contributions go back to the

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Option C-15	<ul style="list-style-type: none"> -Provides you with a monthly benefit for life. - Upon your death, a monthly benefit will be paid to your beneficiary for the remainder of the 15-year guaranteed period. -The amount of the monthly payments paid to your beneficiary will be equivalent to the amount you were receiving. -You may designate more than one beneficiary. 	<p>retirement system.</p> <ul style="list-style-type: none"> - The retirement pension is guaranteed to be paid for 15 years from your retirement date. However, if you live longer than the guaranteed period, you continue to receive your monthly benefit, but there will be no payments available for your beneficiary. -If you die after 15 years of retirement and before your employee contributions have been exhausted, your remaining employee contributions go back to the retirement system.
Option C-20	<ul style="list-style-type: none"> -Provides you with a monthly benefit for life. - Upon your death, a monthly benefit will be paid to your beneficiary for the remainder of the 20-year guaranteed period. -The amount of the monthly payments paid to your beneficiary will be equivalent to the amount you were receiving. -You may designate more than one beneficiary. 	<ul style="list-style-type: none"> - The retirement pension is guaranteed to be paid for 20 years from your retirement date. However, if you live longer than the guaranteed period, you continue to receive your monthly benefit, but there will be no payments available for your beneficiary. -If you die after 20 years of retirement and before your employee contributions have been exhausted, your remaining employee contributions go back to the retirement system.
<p>Every variation of Option C provides a payment of a benefit for a guaranteed period of years after your retirement date, and if you live beyond the guaranteed period, the pension is continued to <u>you</u> for life. If you die before the end of the guaranteed period, the pension will continue to be paid to your beneficiary for the remainder of the period. The monthly benefit payment to your beneficiary is equivalent to the amount you were receiving. Variations under Option C relates to the length of the guaranteed period of time – 5, 10, 15, or 20 years.</p>		
Option D	<ul style="list-style-type: none"> -Provides you with a monthly benefit for life. -After your death, your spouse/domestic partner will receive each month one-half of the amount you were receiving for the rest of his/her life. -If your spouse/domestic partner predeceases you, your monthly benefit will be increased at that time to the Straight Benefit amount. 	<ul style="list-style-type: none"> -Your monthly benefit is only slightly reduced from the Straight Benefit and is based on your age and the age of your spouse or domestic partner at the time of retirement. -Your spouse or domestic partner <i>at the time of retirement</i> is the only person who can be designated as your beneficiary. -If your marital status changes after your retirement begins, you cannot name a new spouse or domestic partner to receive your retirement benefit.
Option E	<ul style="list-style-type: none"> -Provides you with a monthly benefit for life. -After your death, your spouse/domestic partner will receive each month a benefit payment in the same amount you were receiving for the rest of his/her life. -If your spouse/domestic partner predeceases you, your monthly benefit will be increased at that time to the Straight Benefit amount. 	<ul style="list-style-type: none"> - Your monthly benefits are modified to provide lifetime payments to your spouse upon your death. - Your spouse or domestic partner <i>at the time of retirement</i> is the only person who can be designated as your beneficiary. -If your marital status changes after your retirement begins, you cannot name a new spouse or domestic partner to receive your retirement benefit.
<p>If you would like to cover your spouse/domestic partner for his/her lifetime after your death and have him/her receive <i>half</i> or the <i>same</i> monthly amount as you, then Options D or E may be the option for you.</p>		
Option F	<ul style="list-style-type: none"> -You receive a higher monthly benefit equivalent to the combined amount of your City retirement and Social Security from your retirement age until you reach your “full Social 	<ul style="list-style-type: none"> -This option must be selected in combination with one of the standard options (Straight Benefit or Option A-E). -Your monthly retirement benefit amount is lowered by the benefit amount you are estimated to receive from

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	<i>Security retirement age</i> ".	Social Security when you reach " <i>full Social Security retirement age</i> ", <u>regardless of when you actually start collecting your Social Security benefits</u> .
This option focuses on providing a level income throughout your retirement lifetime. However, it provides a higher monthly City retirement benefit initially; but a lower one after you have reached your full Social Security age. In some cases, your City retirement benefit can be reduced to zero or very close to zero.		
Option G-50	-Provides you a one-time lump sum payment at retirement equal to <i>50% of your</i> accumulated employee contributions and interest. -You still receive a monthly benefit for life.	-This option must be selected in combination with one of the standard options (Straight Benefit or Option A-E). -The amount of your monthly benefit is reduced. -Taxes will be withheld on amount withdrawn unless the lump sum is rolled over into a qualified IRA.
Option G-100	-Provides you a one-time lump sum payment at retirement equal to <i>100% of your</i> accumulated contributions. -You still receive a monthly benefit for life.	-This option must be selected in combination with one of the standard options (Straight Benefit or Option A-E). -The amount of your monthly benefit is significantly reduced and is drawn only from your pension. -Taxes will be withheld on amount withdrawn unless the lump sum is rolled over into a qualified IRA.
If you chose Option G (50 or 100), you must also select the Straight Benefit or one of the standard options (Option A-E). The lump sum amount payable under Option G is not affected by the election of any other additional option.		

When you receive your "Benefit Estimate" or "Final Benefit Calculation" from the Retirement Office, it will not only calculate your "Straight Benefit" (also referred to as your "Unmodified Benefit"), but will also calculate what your monthly benefit would be under each of the various options available to you. This will make it much easier for you to select an option that fits your specific needs. Therefore, it is very important to communicate with a Retirement Specialist as soon as you learn you are at-risk of layoff and want to determine whether retirement is a viable option for you.